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International Education Market: Analysis of Pre and Post-COVID-19 Scenario

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ABSTRACT

The COVID-19 pandemic opens a new horizon to analyze the International Education Market, as the pandemic hits hard education sector throughout the world. This article is based on the desktop method and data were collected from different potential sources. The analysis shows that handling the post-Covid era will be a tough challenge for all market giants, particularly the existing markets that are facing an unpredicted decline rate in student enrollment and revenue. The findings also show that new markets like Canada, New Zealand, and Australia going to rise strongly than predicted by the monitoring agencies. Online learning is going to make a huge impact on the revenue of the International education market. The decision of Indian and Chinese students will be going to decide the fate of the market as collectively these both countries send 50 percent of students to the global market.

KEYWORDS: *student migration, education market, higher education, covid-19*

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INTRODUCTION

COVID-19 paralyzed the functioning system of the world; no single country remains unaffected by this outbreak. Since the first report of COVID-19 infection on 31 December 2019 in Wuhan, China, the debate and discussion is still in process, where and how the pandemic began and it's still the biggest mystery before the science community (Mallapaty, 2021). WHO (2020), believes that the pandemic has shaken deeply the balance of the social and economic system and the world of work. It forcing millions of people across the globe to push from the edge of poverty towards extreme poverty, and the undernourished people are estimated to increase by 822 million by the end of 2021.

Along with other aspects of our life, the storm of the COVID-19 pandemic also largely impacts the education system across the Globe. As per the estimation of (UNESCO, 2020), more than 1.5 billion students are forced to leave campuses, and effects on their education due to the closer of physical campuses.

Within the education system, the tertiary layer of education is one major area that has experienced a fundamental transformation (Bilecen, 2020), and emerges as an interesting area to analyze, because, unlike school education, higher education is largely embedded with international policies and majorly controlled by few giants in markets. Tertiary education is the biggest product in the international market withhold a market value of USD 13.7 billion in 2020 and is projected to reach USD 64.2 Billion by 2028 with an increased rate of 21.5% (Varified Research Market 2021).

The COVID pandemic left a huge daunt on the International Education Market as the value of gigantic market holders like the U.S, UK are expected to shrink, and new players like Canada, New Zealand can replace with new attractive offers like health security, Scholarship, and flexibility in the visa process, etc.

Before analyzing the scenario of the International education market, first, we will delve to identify the major stakeholders and their position in the market. Among all the stakeholders the students are the primary player whom decisions are affecting all other parameters. Among them, the attitude of hosting and sending countries are playing a major role in these decision-making processes. First, we will identify who the international students are? Because there are many overlapping definitions are available on International Students given by different international organizations from time to time. The most accepted and celebrated definition is given by UNESCO, OECD, and EUROSTAT collectively in 2015 as *"An internationally mobile student is an individual who has physically crossed an international border between two countries with the objective to participate in educational activities in a destination country, where the destination country is different from his or her country of origin." (UNESCO, 2015).*

The COVID pandemic affects education at a large scale, particularly students enrolled with foreign universities. This area is mostly understudied and not recognized in the literature as argued by (Firang, 2020), the author stated that one of the most vulnerable population groups that did not get the deserved attention in academia during COVID-19 is international students. The pandemic forced the countries to close the physical campuses where students live and study close to each other.

The COVID-19 pandemic gives us a new paradigm of the educational environment, where the large number of campuses running on digital screens. The huge and lavished campuses are not more looks relevant, as the same teaching-learning material can offer through diverse digital platforms. Students are not more need to visit other countries they just access the university online, can meet with a professor online, can talk and conduct meetings online (Witze, 2020).

The future of international education looks more challenging. The importance of the new normal (online learning approach) cannot be ignored. The major online learning platforms like Zoom, Google Meet, Edx, Coursera, Byju's were already there in the market before being hit by the COVID pandemic. COVID-19 has become a major factor that pushes everyone to adopt online learning overnight observed by the study of (Wieland, &Kollias 2020). The importance and use of online platforms can be comprehended by a survey data released by the business of Apps, it shows that Zoom generated $2.6 billion revenue in 2020, with a 317 percent increase year-on-year and it becomes one of the fastest-growing apps of the pandemic, with meeting participants increasing by 2900 percent and its revenue has exceeded $100 billion during the pandemic, a 383 percent increase on its value in January 2020. This data rely on us that online will be our future and the online market giants are already there to make the platforms more user-friendly. Similarly, data available on Edx official website declares, that it has successfully added 29 million new users within a year from 2019-20 with an increased rate of 161%. The platform also issued 2.1 million verified course certificates to the learners. Similarly, the analysis of (Shah, 2021) reveals that Coursera's revenue increased by 59% to $293.5million in 2020, and by late 2020, 3.2 Million learners had bought an offering, and 50 thousand were enrolled in Courser a Plus.

These figures indicate that the future of the international education market is unpredictable, in this study the researcher will try to figure out the changing trend in the international market and the future of host countries by analyzing the secondary sources of data released by various international agencies before and after COVID pandemic.

Objectives

1. To identify the market pattern of the International education market before and after COVID-19.
2. To identify the factors of emerging players in the International education market.

Methodology

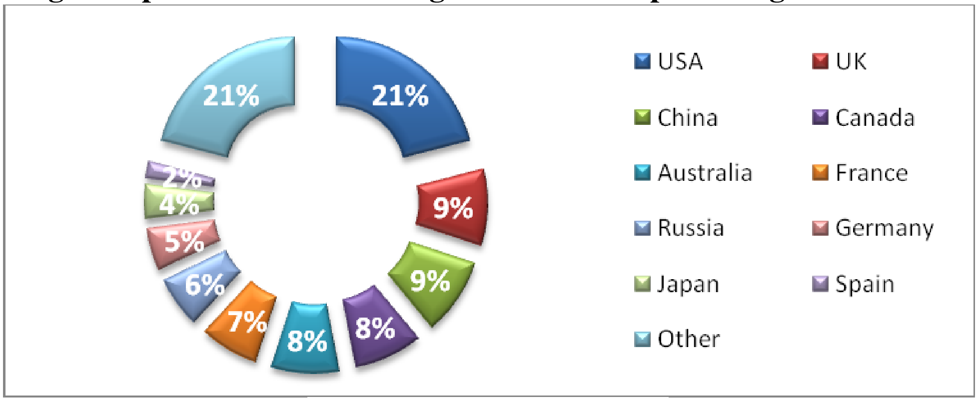
The Covid-19 pandemic has opened new challenges before the policymakers and social scientists, that how catastrophic situations adversely affect international education and its market. To identify the market pattern and emerging trends in the international education market this study relies on the desktop method, as there is a series of data released by OCED, UNESCO, IOM, World Bank from time to time. The investigators will analyze those secondary data to achieve the objectives of the study.

Result and Discussion

There is sudden transaction occurred with the emergence of COVID-19, the physical campuses are forced to shut and the door or classes also frozen for access. Online platforms emerge as the alternative to physical classes. The human interaction is restricted to control the spiked of the virus caseload.

In the higher education market, the two largest shareholders U.S and UK experienced a sudden fall in new student enrollment, as the US shows a 20% fall in the enrollment rate with a revenue loss of USD 10 billion in the year 2020 (Fisher, 2021).Similarly, the Australian market which is the fifth biggest in terms of international student consuming country list expected to lose 2 to 3 billion USD market value (OECD, 2021). Before being hit by the pandemic the size and major international players can be understood from the table.

Fig.1. Top 10 countries holding the maximum percentage of students



Source: Project Atlas, 2019

The table reveals the top 10 countries of the world and the number of students they host before being smashed by the pandemic. As per QS University Ranking, U.S. and UK still dominating in the ranking system, in top 10,except One University ETH Zurich from Switzerland other 9 are from U.S and U.K, this may be the potential reason that these two countries are the largest home of international students. Whereas no university from China was able to take place in the top 10 and the only university from China Tsinghua University ranked on 16 places. The following table also shows that U.S and UK top universities are holding the highest number of international students, and the pandemic and decrease trend of new enrollment may impact their ranking in the future.

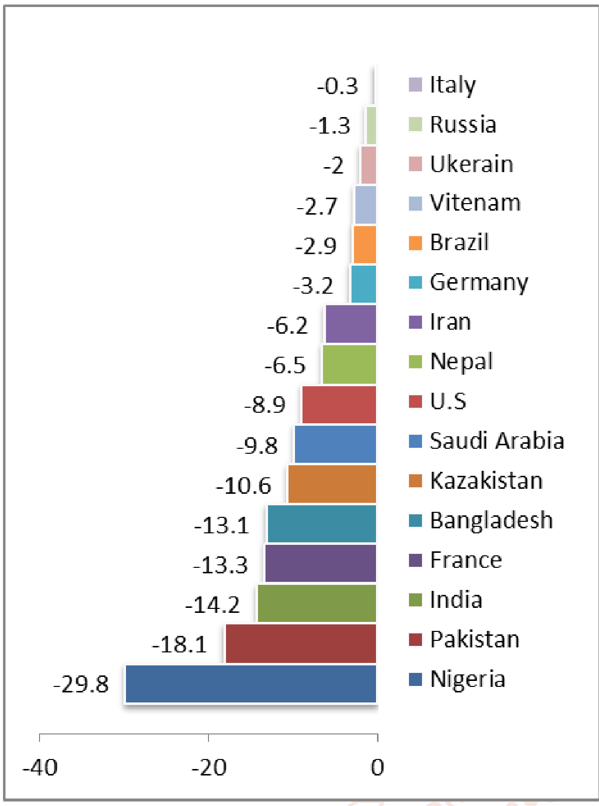
Table.1. QS University Ranking

University	Over All Score	International Student Ratio	International Faculty Ratio	Country
Massachusetts Institute of Technology (MIT)	100	91.9	100	USA
Stanford University	98.4	63.6	99.7	USA
Harvard University	97.9	69.9	85.2	USA
California Institute of Technology (Caltech)	97	88.2	100	USA
University of Oxford	96.7	98.3	99.4	UK
ETH Zurich - Swiss Federal Institute of Technology	95	97.9	100	Switzerland
University of Cambridge	94.3	97.4	100	UK
Imperial College London	93.6	100	100	UK
University of Chicago	93.1	82.6	67.1	USA
University College London	92.9	100	99.3	UK

Source: Quacquarelli Symond University Ranking (2021).

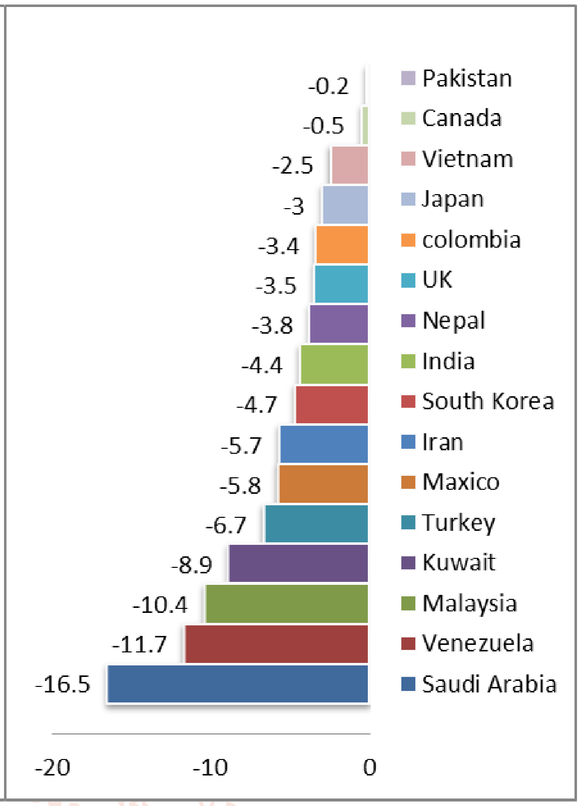
The post-pandemic phase will be more competitive and challenging for the global players to maintain consistency and dominance in the market as the two global giants are trending the decrease show of International students. The below figures 2 and 3representthe declining trend of international students enrollments in the US and U.K last year.

Fig. 2



(Source: Project Atlas, 2019)

Fig. 3



(Source: Open doors database USA)

The above graphs reveal that the both U.S and UK experiencing a string fall in international students, but in terms of country-wise, both experiencing a contrary trend, like in the US the highest percentage decreased from the countries with highest Saudi Arabia with -16.5 percent followed by Venezuela and Malaysia -11.7 and -10.4 respectively. Whereas, in the U.K the highest decline trend shows from Nigeria -29.8 percent followed by Pakistan and India -18.1 and -14.2 respectively. Whereas, the declining rate from other sending countries also shows an alarming sign for both the education market of US and U.K.

The institution which relies on tuition and semester fees is expected to face a major jolt in managing finance, the top global institutions like Johns Hopkins University in Baltimore, Maryland, expect to lose hundreds of millions of dollars in the next fiscal year. The declining trend of international students is also expected to hit the U.K universities and is estimated to lose three billion USD in the next year. Similarly, the Australian education market which is the fifth largest country in terms of International student consumption is projected to shed up to 21,000 full-time jobs this year, including 7,000 in research with the loss of market value of four billion USD in 2020 (Witze, 2020). The Australian education market is also projected to lose 150,000 Chinese students in the coming year which is the largest feeder in the International market (Mercado, 2020).

Among the top international players, Canada is emerging as a prolific market at the international level. As a report published by the Canadian press, in the last two decades, Canada successfully added 449,750 new students from 122,665 in 2000 to 572,415 in 2019 with an increasing percentage of 467% (The Canadian Press, 2019). International students play a major role to boost the GDP of Canada, as reported by IRCC, (2019), the contribution of international students to Canada's GDP is estimated at 21.6 billion USD. The COVID damage of Canadian Education is not exceptional as among the other major market share, Canada is expected to lose the amount value of 377 million USD, due to the halt in the circulation of new students in the COVID period. During the pandemic, Canada's net enrolment decline of roughly 108,000 students was highest from India -38,515 followed by other the leading senders of China -23, 840 and France – 5,595 (ICEF Monitor 2020).

At the same time, the study of (Chew & Stevenson 2021) shows that Canada is emerging as a favorite destination for education and holding a commanding lead ahead of the start of the 2021 academic year on various parameters. On the parameter of 'Very attractive' destination Canada spot the first rank with 63% positive response, ahead of the UK and Australia at 51% and 49% respectively. The other parameters where Canada was ahead of other competitive markets were; handling of COVID, Emergency response, Visa processing, and safety. These responses are based on the view and opinions of 900 agents in 73 countries around the world.

In International Education Market China is a country multifaceted. On one hand, China is the third-largest feeder country to the international education market, whereas the third top consuming market also. China being an emerging giant in the international market can influence the whole international education scenario, because collectively both China and India send 50% of students tothe International market. In this perspective an interesting study has conducted by (Mok et al 2020), shows that 84% of respondents from China show no interest in studying abroad after the pandemic. The study was based on the responses of 2739 samples and was conducted in mainland China. And among those 16% want to pursue want to continue from Asian countries, like Hong Kong, Japan, and Taiwan.

Another important finding comes from the study of (Stacey, 2020), the sample was selected from major South Asian Countries including, India, Nepal, Bhutan, Bangladesh, and Sri Lanka. The study shows that 90% of aspirants want to continue their education from overseas once the COVID restriction eases. But an interesting finding that was observed is, the preferred countries they wish to go was Australia, the U.K, or Canada. Similar observation made by the report published in the Mint Newspaper, it states, before COVID U.S, UK and Canada were the favorite destinations for Indian students, However, as COVID-19 continues to affect the world, students have begun to re-evaluate their choices and are turning their attention to countries such as New Zealand, Germany, and even Ireland.

Conclusion:

The post-pandemic scenario for the international higher education market is expected to be more competitive. The eye of market players is on India and China, as these two countries have the largest eligible population of any other country. Canada, New Zealand, and Australia are expecting to provide more benefits to lure the students. The switching trend of destination countries among international students will be the major concern for existing market giants. U.S may ease the visa process for both students from India and China, as diplomatic tensions between two countries (U.S and China) flared over many issues this year.A country like Canada already emerging as a favored destination country for higher studies by trailing the biggest markets on various parameters. The decision of students from the biggest feeder countries could decide the fate of the International market as the scenario of pre and post-Covid will not remainthe same.

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